

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 7627

Petition of Central Vermont Public Service Corporation)
("CVPS") for approval of certain amendments to its)
Alternative Regulation Plan, pursuant to 30 V.S.A.)
§ 218d)

Order entered: 9/17/2010

SCHEDULING ORDER

On September 10, 2010, we convened a status conference in this matter. At that time, Central Vermont Public Service Corporation ("CVPS" or the "Company") and the Vermont Department of Public Service (the "Department") agreed to the following procedural schedule, which we hereby adopt:

In the event of settlement

September 24, 2010	CVPS files a notice of settlement with the Board.
October 29, 2010	Parties file testimony in support of settlement. ¹
November 10, 2010	Technical hearing.
November 17, 2010	Parties file a joint proposal for decision.

1. Earlier in this docket, the parties agreed that the filing deadlines reflected in this Order would signify the due dates for electronic service of the documents to be filed, with the submission of hard copy filings to follow to the Board the next day. The parties agreed to accept electronic service of filings among themselves as well. Due to the compressed nature of the schedule in this docket, we will allow filings to be made as follows: the parties shall accept electronic filings among themselves, and the deadline for any such electronic filing shall be the date set in the procedural schedule ordered by the Board. The hard copy of any such filing shall be due at the Board by close of business on the following day. We have made this arrangement with the understanding that it is a singular accommodation and shall not set a precedent for future proceedings. The Board is pursuing the implementation of electronic filing, but at this time it does not have the means to deploy an electronic case management system.

In the event there is no settlement

October 8, 2010	CVPS files supplemental testimony.
October 12-21, 2010	Rolling discovery begins on CVPS's supplemental testimony, with a five-business-day turn-around time for responses.
November 12, 2010	Department to file direct testimony.
November 15-24, 2010	Rolling discovery begins on the Department's direct testimony, with a five-business-day turn-around time for responses.
December 8, 2010	CVPS files rebuttal testimony.
December 15, 2010	Department serves discovery on CVPS rebuttal testimony.
December 22, 2010	CVPS serves responses to discovery on rebuttal testimony.
January 5, 6 or 7, or week of January 10, 2011	Technical hearing.
January 24, 2011	Direct briefs filed.
February 1, 2011	Reply briefs filed.

Finally, we note that the amendments CVPS has proposed to its Alternative Regulation Plan contemplate adjusting the Company's efficiency incentive by means of a "benchmarking" mechanism similar to the one we recently approved for Green Mountain Power Corporation's ("GMP") Alternative Regulation Plan.² During the status conference on September 10, 2010, we indicated to the parties that we have concerns about the use of "benchmarking" and referred the parties to our Order in Docket 7585 for further guidance. Additionally, a review of the transcripts from the workshop and the technical hearing in Docket 7585 may serve to further clarify for the parties the nature of our concerns about "benchmarking" as a regulatory tool for

2. See Docket 7586, *Petition of Green Mountain Power Corporation for approval of an alternative regulation plan (Plan II)*, Order of 4/16/10. The GMP alternative regulation plan includes an "incentive adjustment" that measures GMP's efficiency relative to a "benchmark" peer group of utilities consisting of twenty electric companies chosen for their relative comparability to GMP in terms of size and climatological or geographic operating conditions. *Id.* at 9.

rate-setting.³ Whether this case is settled or litigated, the parties should be prepared to file testimony that fully addresses our concerns about "benchmarking" should the amendments to CVPS's Alternative Regulation Plan continue to include such a mechanism. Furthermore, the parties' testimony also should address the issue of whether the current review procedure under the Alternative Regulation Plan for CVPS's annual base rate filing— in particular, the time allowed for it — is adequate given the magnitude of the potential future rate increases CVPS described at the workshop on August 19, 2010.

SO ORDERED.

Dated at Montpelier, Vermont, this 17th day of September, 2010.

<u>s/ James Volz</u>)	
)	
)	PUBLIC SERVICE
<u>s/ David C. Coen</u>)	
)	BOARD
)	
)	OF VERMONT
<u>s/ John D. Burke</u>)	

OFFICE OF THE CLERK

FILED: September 17, 2010

ATTEST: s/ Judith C. Whitney
Deputy Clerk of the Board

NOTICE TO READERS: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: psb.clerk@state.vt.us)

3. See Docket 7585, *Transcript of 1/21/10* (prehearing conference and workshop); Docket 7585, *Transcript of 3/9/10* (technical hearing).